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[Albany Argus Extra.]

THE DEMOCRATIC & FEDERAL POLICY.

Mr. McMurray's Speech.

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1804

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Remarks of Mr. McMurray, OF NEW-YORK,

In the Assembly, in committee of the whole, Jan. 30 and Feb. 1, 1843,
on the Governor's Message.

[Reported for the Albany Argus.]

Mr. McMURRAY having the floor, addressed the committee. He said he had supposed that the mild and conciliatory tone of the Governor throughout his message, would in some measure have secured him from the bitterness of assault, sometimes verging even into personalities, with which he had been visited in certain quarters. It had been usually the case—it had been for several years past—that the message of the Executive had been the subject of comment and criticism more or less severe—and there had been some show of excuse for it, at least in the matter and manner of these documents. But the message submitted to us at this session, had little, very little, in it to call out any severity of attack whatever, either on the document itself, or the high functionary who sent it there. But in the same degree that the document itself was remarkable for its plain, straight-forward sincerity, and, he might say, studied deference to the views of political opponents, so had the debates on that floor partaken in general of the very opposite traits. Certainly during his connection with the legislature, he had never known the document itself visited with so much harshness of invective. Nay more—to let alone the document—he had never known the Executive himself so freely assailed.

The Executive (continued Mr. McM.), on the second page of his message, stated that if he did not mistake the feeling of the people, they desired repose from high party excitement, and an exemption from the violent changes of measures and policy which were the result; and he indulged the hope that the legislature would coöperate with him in acting on the principle of placing the public welfare above mere party considerations. Yet this very paragraph—this dignified appeal which the Governor makes to the legislature—an appeal which I feel assured will meet with a warm response from the intelligent and well-meaning people of this state—even this is, by the gentleman from Monroe, if not by the gentleman from Albany, [Mr. Hall in an under tone, “not by the gentleman from Albany”]—is, by the gentleman from Monroe then (Mr. E. Strong), made a matter of reproach and animadversion. What, exclaims the gentleman from Monroe, allow party excitement to cease?—party animosity to rage no longer? And then, as if to leave no doubt about the matter, the gentleman very pathetically asks if there is to be no party excitement, what becomes of the whig party? Sir, in southern climes, the ocean is sometimes so clearly serene and transparent that even sailors on board the ships riding in the bays may see their anchors at the bottom, and the animated creation assigned to the deep playing beneath them. But when

storms arise—when the heavens are shrouded in black, and clouds gather over the sky, it not unfrequently happens that a swell comes over the hitherto placid surface, upturning the sea from its foundations, and bringing up all that is putrid and foul to the surface. Then too it is that vessels moored on this once chrystal ocean, so quietly and securely, become a prey to robbers and wreckers. So sir, it is in our political history. Where all is calm, and every thing clear and transparent, then may it with truth be said that government is well administered, and that society in all its forms is happy. The party which can only thrive by agitation and excitement, by calling up the stormy passions of the community—the party which has an existence only when the political and social elements are in commotion—is not one that deserves, or will receive, the confidence and support of an intelligent people, or that will minister to their welfare.

When men are excited and maddened by political whirlwinds—when society from its very foundations is upheaved, by the stormy billows of passion—it is then that men, vile, corrupt, dishonest, and before unknown, come to the surface and sport like sea birds in the tempest. It is then and then alone, that political gamblers, robbers and speculators, elevate and enrich themselves upon the spoils of society and amidst the common wreck of morality, of order, and of patriotism.

This distinction I regard as perfectly characteristic of the political party which for the last few years has had in their keeping the destinies of the state and nation. And sir, it was a humiliating confession, I conceive, to the associate partizans of the gentleman from Monroe, if not to himself, that the whig party could only live, move, and have a being in the midst of these excitements and tumults. Every man who desires the welfare of society and the happiness of the people should deprecate as one of the worst of evils that can happen to any community—the ascendancy of such a party as this. Sir, I think the people will agree with the Executive, that party excitement should, as far as possible, be allayed.

There is another passage in the message, preceding the one I have quoted, which has also been attacked, and from a quarter unexpected to me. I allude to the paragraph in which the Governor alludes to the fact that he is the first executive whom the people have selected from the agricultural portion of the community. Now, I do consider this as an era in the history of our institutions, and the Governor, in alluding to the fact, did but justice to the class with whom he is identified, and among whom he has been brought up. Is it not worthy of notice, that the people have selected a farmer to preside over the interests

of the state? When has it occurred before?—Our institutions are constantly exhibiting developments of the onward progress of society—showing day by day, that their effect is to equalize and level—bringing down the pride of birth, and elevating, ennobling and intellectualizing the masses. Every grand development of this progress I claim to be worthy of notice; and I repeat, the Governor did but justice to the class with which he is associated, and to which he belongs, in bringing this matter distinctly to the notice of the people. Was it necessary for the gentleman from Monroe, thus contemptuously to treat one of our most intelligent classes? Claiming as he does to represent the farmers on every occasion? Claiming to be their particular and exclusive friend, on this floor, did he exhibit any feeling of pride at the election of one of them? I present that the gentleman has no right again to speak here on behalf of the agriculturists.—After turning recreant to the feeling that ought to animate every farmer, let the gentleman hereafter close his mouth, and never rise again as their advocate. But the attempt has been made to impugn the statement that the Governor is a farmer. Does not the gentleman from Monroe know that the Governor was brought up among that class? Nay more, that he is one—that he never has left these associations except at the call of his country, when like Cinneinnatus of old, he has been summoned from the plough to assume the highest public trusts. I allege, what the gentleman from Monroe does not exhibit—the pride which every citizen ought to feel at the exemplification of the fact, that under our government every class is open to preferment.

Another matter, sir, which I would willingly pass over as a small matter. But although smaller than either of the others to which I have alluded, yet some importance has been attached to it from the fact, that the gentleman from Albany opened the way for the gentleman from Monroe to attack this portion of the message. I allude to that passage—a short paragraph—in which the Governor speaks of the Catskill and Canajoharie railroad, and the extension of it into his own county as far as the Vly Summit. The gentleman from Albany, though he had assailed this paragraph, yet he dealt with it as he did with every thing else, as a gentleman should do it; and, sir, tacitly at least, admitted that local attachment, unaccompanied as it was, with any recommendation of an appropriation, exhibited a feeling only of fondness to old associations which all honor and respect, and which every man would regret to see supplanted in his own case, by other and new attachments. But what says the gentleman from Monroe (Mr. E. Strong)? His attack is as characteristic of him, as are the strictures of the gentleman from Albany, of the latter. If I understood the gentleman from Monroe, he has imputed interested, if not corrupt motives to the Governor. The Governor lives in the vicinity of the Vly summit, says the gentleman from Monroe, and wants to look about him over acres enhanced in value by the termination of a rail road upon his premises! It is due, if not to the gentleman himself, at least to the position he occupies here, to state that the Governor owns no land there, and has no interest direct or personal in any property within seven miles of this proposed termination, or within five miles of any portion of the road. I appeal to the house to say, whether this was not a trivial, as well as mean and

illiberal, comment. Let me put it to the recollection of the gentleman who represents, or professes to represent a portion of the party which lays claim to all the decency in the country, if not the learning—for even that gentleman aspires to embody in his person all the literature, grammar, orthography, etymology, syntax and prosody extant—[Laughter]—I put it to that gentleman to say whether it has been unusual of late years, to see references to rail roads, in being and in embryo, in messages from the Governor! I think, at all events, that while I have had a seat here, I have read messages from the late Executive particularly, wherein there were frequent, and marked, and repeated recommendations of rail road projects. And I can say that I never yet have known a man claiming to represent the party with which I act, put his finger upon any of these passages, and upon the strength of them, attempt to impute interested or sinister motives to the Executive. And yet, was it unknown to us that the late Executive was interested in lands through which some of these rail roads were to pass? Sir, perhaps his private fortune depended upon the construction of the Erie rail road. But did he ever fail to bring it before the legislature with an importunity and earnestness unprecedented? Was it not known that at the extra session, when the credit and resources of the state were prostrated, when this rail road company failed to meet its solemn engagements, and when the people were to be taxed for its recreant refusal or incapacity to pay—was it not known at that time that the explosion of a certain company at the south, to which I need not allude more particularly, had developed some very awkward circumstances? Let me be understood. I make no allusion to the connexion between Gov. Seward and that company, beyond what is necessary to illustrate my position. I do not believe that the then Governor was actuated in his annual recommendations by any other feeling than what he thought most pure, exalted and elevated patriotism. I attribute to him no other motive than the welfare and interest of the people, as he looked upon it. And I should consider any man of my own party, who should attempt to bring before this house the private affairs of the late Governor, or of any other whig, as unworthy the name of democrat. I merely bring forward the fact, by way of illustrating that as hypocrites oftentimes make the loudest professions of religion—profligates descendant upon virtue and purity—inebriates portray the blighting curse of the cup—so, too, it not unfrequently happens, that men who boast their gentility, and bandy opprobrious epithets with others, give in their own conduct the most glaring evidence of the absurdity of their arrogant pretensions—and to exhibit the contrast which really exists in the conduct and bearing of public men animated by the liberal principles of the democracy, and that of those imbued with the bitterness and intolerance which I believe to be inbred in those who assert the pretensions of federalism. In direct connexion with this, I might dwell upon an outrage upon the delicacy and refinement of social intercourse by the gentleman himself; but I believe it to be unnecessary. I refer to a matter which has been drawn into this discussion, and which I believe incurred the reprobation of even the political friends of the gentleman from Monroe; but it is unnecessary—for there is a spontaneous feeling which always manifests itself

upon any, the least outrage, upon the conventional decencies of civilized society, and which never fails to visit with a stern rebuke the man who thus offends. I cannot allude, of course, in more definite terms to the outrage of which I complain. Gentlemen know to what I refer, and they will agree with me, that the man who ventures to drag into a discussion of this kind, matters purely social—the gossip that should be restricted to old maids and women in their dotage, and at the tea table—is beyond the reach of flagellation by mere words, even the most searching the English language supplies. Permit me to say, however, in regard to the sheep that figured so extensively in the speech of the gentleman from Monroe—that walked “*hand in hand*” with his master over the hills—[Laughter]—that played so many “*gamboles*” in the meadow—[Renewed laughter]—the “*poor Billy*” that was found in bad company, and who the gentleman meant to compare with himself—permit me to say, that that unfortunate sheep which lay in that miserable pen did not find among its associates—the vilest and scabbiest of them all—one more loathsome than the man who could use his privilege as a legislator to trespass on the fireside and the social circle.

I now purpose to draw your attention to that portion of the message of his Excellency relating to the finances of the state, as applicable to its several funds—a matter of deep and absorbing interest to every portion of the people of the state, and a question which latterly has been the subject of most important legislation.

At pages 16, 17 and 18 of the message, will be found a statement of the condition of the more important funds, such as the school fund—the literature fund—the United States deposit fund. There are also a number of sinking funds, instituted for the several purposes designated; also, the general fund and the canal fund, to which two latter I purpose mainly to call your attention.

It will be seen that there remains to the general fund 33,797 acres of land, estimated to be worth \$19,961, which yield no revenue; and by reference to the canal fund, it will be seen that a large indebtedness exists in favor of the former. Indeed, the canals may be said to have swallowed up the general fund. Mr. Ruggles, at page 13 of his report, (No. 242, 1838,) says: “The general fund is neither squandered nor gone, but now exists in full vigor, invested in the canals.” This fund was formerly large, productive and valuable. It was instituted for the purpose of the defrayment of the ordinary expenses incident to the management of the state government, and was of itself nearly, if not quite, sufficient for the purpose. Prior to and during the war of 1812, no tax was levied for these purposes, and New-York—untrammelled by debt—was left to direct all her energies to the prosecution of vigorous measures for attack and defence. On a fair accounting for the salt tax—steam boat tax—auction tax—land sales, and for other payments made by the general fund, and the compound interest saved by these taxes and payments, I believe the Erie and Champlain canals should pay to the state the yearly annuity, in the form of revenue, of at least \$450,000. But the whole fund has vanished. Inroads have been made upon it, from the commencement of the canal policy, alike by all parties, till it has all been squandered. It was at first borrowed; but latterly deliberately taken, without the hope or expectation of return. It has, in fact, as

a fund, scarcely an existence; but yet it has an income, derived from other sources, of considerable value. These consist of the revenue derived from the salt and auction duties, clerks’ fees, and a contribution of \$200,000 annually from the canal fund.

In 1814, it will be seen by the report of the comptroller, of that year, that the principal of the general fund amounted to \$4,396,943.97; and in 1815, when there was no state tax, it yielded of itself, for the support of government, a revenue of \$317,475.82. In 1816, a tax of two mills was imposed. In 1819 it was reduced to one mill, and in 1825 to one-half a mill. In 1827, there was no state tax. Yet with these slight taxes from 1815 to 1826, such was the productiveness of the general fund, that there was a continued annual surplus of revenue over expenses—varying from \$309,686 10 in 1816, to \$32,981 70 in 1825. Every year between 1815 and 1830—with the exceptions of the years 1816, 1818 and 1825—depletions were made upon the principal of the general fund, amounting in the whole to \$3,504,814 68. In the three years above alluded to, it was increased \$452,139 36: So that in 1830, this fund was reduced from \$4,396,943 97, to \$1,344,268 65,—which was the exact amount of the general fund on the 1st December, 1829. Since that period, the balance then remaining has entirely disappeared, and the fund itself is largely in debt.

Mr. Hoffman, in his report to the legislature, (ass. doc. 278, 1841) estimates the annual expenditures of the government at \$915,725 86. The late whig comptroller, Mr. Collier, has with much ingenuity attempted to figure down this expenditure to a smaller sum. Still the fact of expenditure as stated by Mr. Hoffman, is undenied. Now, although economy for the future is to be desired and expected, yet exigencies constantly arise, and against which no calculation can guard, demanding the resources of the state; and Mr. Hoffman argued that it was the safer course, in calculating the annual liabilities of the state, rather to take things as they were than to theorise upon what might possibly be. This estimate will be found, short as has been the period intervening, below what the growing wants of the state even now require, conducting the administration upon the most rigid basis of economy. The last year the payments from the general fund amount to \$917,367 79—much beyond the estimate stated by Mr. Hoffman, and denied so perseveringly by the whig comptroller and his party.

Mr. Collier, in his report dated January 4th 1842, (see ass. doc. 15) objected to certain appropriations to the State Lunatic Asylum, to the State Hall, and alterations in the Capitol, as extraordinary and as not to be included in the current and ordinary expenses of the state. To this it was answered, that if any security could be given that such or other drafts upon the general fund equal in extent would not annually recur, the guarantee would be admitted; but in the nature of things it could not, and any one at all conversant with state legislation ought to have known that such annual drafts, if not for these identical objects, at all events for others, and perhaps to a greater amount, would never cease. It was then said, shall we willingly close our eyes to facts, and adopt dreams—to figures, and embrace theories—to demonstrations, and hunt up problems of questionable solution? Shall we turn from the

inalterable decrees of the past, to dream, gape and wonder over the uncertain, unopened and unrevealed book of the future? It was urged, that with the wide spread disappointments experienced all around us—with the wreck of hopes, calculations, reputations and fortunes, every where visible—that it was time for men and legislators to come down from the seventh heaven of speculation and to look at things with the light of nature and experience—with truth and soberness.

Mr. Hoffman read the books as *they were*. Mr. Collier as he thought they *ought to be*. I will show the separate statement, put forth by each as the basis of policy for the legislature of 1842.—They are, from the issues dependent upon these calculations, of exceeding importance.

Mr. Hoffman in his report, submitted May 1st 41, from the minority of the committee on ways and means, (ass. doc. 1841, No. 278, p. 26) estimates

The ordinary expenses of the state" at	\$918,735 86
The ordinary income of the general fund at	451,935 47

Which leaves an annual deficit of	\$466,799 39
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Mr. Collier on the contrary, (see ass. doc. 1842 l. 1, doc. 15, p. 9) assuming the ground before stated, puts down the income of the general fund:

Salt duties at.....	\$150,000 00
Auction duties,	200,000 00
Clerks fees and other incidental receipts.....	70,000 00
Annual contribution from canal fund,...	200,000 00
	<hr/>
	\$620,000 00

He puts down the

Special expenses of government, at.....	\$500,000 00
Contingencies and special appropriations;	100,000 00
	<hr/>
	\$600,000 00

leaving an ordinary balance in favor of the treasury, of \$20,000 00 per annum.

There is a great difference between these calculations of the "ordinary revenue" and expenditure.

Mr. Hoffman's was a statement from the facts of the current year. Mr. Collier's, however, discarded these as unusual in amount, and asserted what in his opinion would be the state matters usually. Which was right? Let us

refer you sir, to the recent report of the comptroller, page 38 and 39, by which it appears the "deficiency in the revenue of the general fund, on the 30th Sept. 1842," was \$435,416 24. Thus has the result shown, how perfectly idle the calculations by which it was attempted to get the hand put forth to rescue the state from the abyss of debt and degradation, into which it was about to plunge.

There would have been some show of excuse perhaps for these miscalculations, had not the experience of the past furnished lights, too plain to be unseen or mistaken. In 1832, the excess of payments over receipts, was \$195,295—in 1833, \$729—in 1834, \$207,195—in 1835, \$239,488—in 1836, \$298,712—in 1837, 332,466. In 1838 whigs came into power, and its effect upon "ordinary expenses" of the government is as fully marked, as it will be shown hereafter to have been upon the extraordinary expenses, growth out of the change. In 1838, \$594,372—in 1839, \$453,353—in 1840, \$466,935. With a full wedge of these annual deficiencies, how the good comptroller could estimate an annual balance in favor of the general fund of \$20,000, is a secret revealed only to whig mathematicians. We have before stated that a fund, once so large

as by its revenue alone to defray all the ordinary expenses of the state government, is entirely squandered. I now wish to draw your attention to another fact, most alarming to the friends of education, and of republicanism. It appears by the report of the Comptroller (see p. 39) that, of the capital and revenue of the school fund there is due from the general fund, \$120,099 61—to the literature fund, \$18,880 85—to the bank fund, \$219,196 66—to the United States deposit fund, \$7,000 00—to the mariners fund, \$25,212 46.—Thus has the general fund in the first instance plundered and robbed itself, and in its destitution and poverty commenced a system of depredation upon still more sacred trusts which, unless arrested, will consume sooner or later those noble foundations, instituted for the best and most benevolent of purposes—for the education of the people, and for the preservation of our institutions; funds which we are by every principle bound to guard, as we would from profanation that which we esteem precious and sacred.

These facts show that the late whig system of state policy, tends not only, as I shall hereafter prove, to degrade our nation in the eyes of Christendom, but more, that if pursued it will entail upon posterity a perpetual curse—by depriving the unfortunate of the provisions humanity has set apart for their relief—the children of the republic of the means now so amply endowed for their education—and the blind, dumb and insane of the asylums and shelter furnished them. The bitter curse will be fulfilled, and the sins of the fathers will be visited upon the children. Let us, as we love our country, and its institutions having for their corner stone knowledge and diffused education, pause. Let us, as we would avert from the yet unborn, poverty, ignorance and wretchedness, check these inroads. Let us, if we would avoid the deep and bitter curses of our children's children, plunged in degradation, anarchy and crime, at once arrest these depredations. Let us, doing our duty to humanity and our country, one and all, preserve from sacrilegious invasion these funds, and leave them whole and entire—the best and the noblest of gifts, the patriot's legacy, for those who shall succeed us.

This has been a remarkable discussion for stories. The gentleman from Albany has so far come down from his stilted legal gravity as to give us a story. The gentleman from Monroe has told us two or three. In regard to the story of the gentleman from Albany about the apples—I like that story. Of all stories, fish stories not excepted, no stories equal the apple stories. My taste agrees with that of the gentleman from Albany in that particular. There is love, and religion, and poetry and philosophy in an apple. It was to an apple that Newton himself was indebted for the first hint to his system of philosophical induction and the principle of gravitation. It was an apple that brought sin into the world, and changed it from a paradise of love, into the arena of strife, turmoil and contention, in which we find it. It was an apple that set all heaven into commotion, if the traditions of the old mythology are to be believed. An apple thrown by the Goddess of Discord inscribed "Let the fairest take it," made the very throne of Jupiter uneasy and turned the celestial abode up side down. It was an apple, that prompted that gallant fellow Paris, when Juno offered power as her bribe—Minerva, wisdom—and Venus, the most beautiful of women—to do as men have done in every age

and as they always will, choose the last. The gentleman from Albany has told us that it was one of his youthful sports to visit a certain apple orchard—a sport not unusual at a certain age.—The apples were remarkably good; and the owner was remarkably proud of the apples. Upon the repetition of one of these visits to the orchard, he put his veto on the practice—telling the boys “I know what you come for—but there’s no apples for you—you shan’t have any—and the best apples you ever saw.” The gentleman made a queer admission in applying this to a portion of the message, in which he says the Governor tells us “these internal improvements are very good things, very excellent things—but you can’t have them.” Why sir, I apprehend the Governor is right as well as the owner of the apples. The difficulty is the same in both cases. The gentleman when a boy probably had not the pennies in his pocket to pay for the apples, or he would have preferred to buy them. So here, the state has no money to pay for these very excellent things—and the gentleman in seeking them under the circumstances, is only carrying out in his manhood on the floor of the legislature, the same principles which led him when a boy to visit that apple orchard [Laughter]—thus giving another striking illustration of the adage “that men are but children of a larger growth.” [Laughter.]

I now will call your attention to the canal fund. This is a matter involving to a yet deeper degree the credit, if not the honor of the state. Public attention in our own state, in our sister republics, and even among the nations of Europe, has been for many years directed to our course and policy. Our action involves, for good or evil, our own character and the reputation of the American people. New-York, by the construction of that mighty work, the Erie canal, gave paternity to that system of state enterprise now known as internal improvement. In our track, have our sister republics followed; our enterprise have they emulated—even surpassed; our embarrassments they have more than shared; and our extrication will stimulate and cheer them, or our financial immersion will deluge and destroy them. Great as is our own debt, it forms but a small portion of the liabilities, the offspring of our system, and for which we are to a certain extent responsible; and ample as are the means which we must bring to bear for its liquidation, yet more ample are those which the magic influence of our example will call forth from the now depressed energies of the republics of this Union.

It appears by a report recently made by the Secretary of the Treasury of the United States, that the aggregate indebtedness of the several states amounts to \$198,818,376; of which New-York owes about \$27,000,000. Shall the American character be exalted, even beyond the glory of its martial and its naval conquests, by its honorable payment—or shall it be sunk into a bottomless pit of infamy and degradation, by its dishonest and base repudiation? The issue rests with this legislature. And I call upon members to legislate with a full sense of the results dependent upon their action.

Our canal policy dates from the Herculean task of building the Erie and Champlain canals, and to the origin of this great enterprise I must call your attention. I shall of necessity be obliged to trace the action of our state government, and the policy of parties, through the several stages of

its inception, completion, and subsequent enlargement.

A glance at the map of the state showed to the earlier settlers of the north and west, the importance of some navigable communication between the ocean lakes of the interior and our Hudson communicating with the sea board. The undertaking seemed so stupendous, that many looked upon its accomplishment as utterly beyond the resources and means of the state. And even the most sanguine paused, before they dared venture the resources of the state, unaided by the arm of the federal government, upon a work involving such a great expenditure.

I find that on the 8th day of April, 1811, an act was passed by the legislature, appointing Governor Morris, Stephen Van Rensselaer, De Witt Clinton, William North, Simeon De Witt, Thomas Eddy, Peter B. Porter, Robert R. Livingston, and Robert Fulton, commissioners for taking into consideration all matters relating to inland navigation. The commissioners were authorized to make application to congress, or any state or territory, and request them to co-operate with New-York in the project of improving the navigation between the Hudson river and the great western lakes; and also to receive subscriptions from individuals and companies for the same purpose. This is the earliest trace I can find of our canal policy. I allude to it here, for the purpose of showing that to the credit or disgrace of originating the canal policy—for the question remains yet to be solved which it shall be—neither party is exclusively entitled. The commissioners were prominent men from the ranks of both the republicans and federalists; and in the senate and assembly, the act above alluded to received the support of prominent men of both parties.

In 1817, the state entered upon the construction of the Erie and Champlain canals. In 1825 this grand enterprise was completed; and in 1836—before Gov. Seward was inducted into office—the entire cost of the construction of these canals was either defrayed, or the funds provided and set apart for its payment. Well might Gov. Seward, in contemplating the honorable termination of this project, in his message of 1839, exclaim with just pride and congratulation, “His story furnishes no parallel to the financial achievements of this state.”

I can well believe, sir, that upon entering on the performance of the high trust to which he had been chosen—on taking a survey of the condition of the state—on looking at its augmenting resources, its growing population, and daily increasing wealth—that a feeling of honorable pride at the conquests of the past, and of glowing hope in the anticipations of the future, may have animated his Excellency. The Erie canal was completed and paid for. The lateral canals, running through its most fertile valleys, were also finished. The Oswego—the Cayuga and Seneca—the Crooked Lake—the Chemung, and Chenango canals, were finished throughout, and put in operation. And yet notwithstanding the greatness of all these enterprises—including the construction of more than two hundred miles of canal, in addition to the Erie and Champlain canals—the entire debt of the state in February, 1837, was only \$7,954,114 40, and the amount of debt over the funds on hand was only \$4,540,475 50. Governor Seward, then when he came into power, found finished to his hands all these grand works of internal improve-

ment, of which he so complacently boasts. He and his party had about as much to do with any successful project of improvement, as they had with the building of the pyramids of Egypt. Their financial skill has been shown only in squandering the money of the people, without the merit of having any thing to show for it.

Having above shown the grand results perfected and accomplished prior to the election of Gov. Seward, I shall proceed to trace the causes of our state policy anterior to that time, and afterwards to exhibit the reasons of the disasters consequent thereto.

The policy prior to 1837, was the paying policy. The policy subsequent thereto, was the borrowing policy. Previous to 1837, internal improvements—however delusive, reckless, and wild were many of the projects devised—were nevertheless based upon sound principles of finance and economy: subsequent thereto, they were built upon dreams and speculation. The results of the former were permanent and enduring: of the latter, momentary, transient and incomplete.—The one was a continued and augmenting power: the other, in fact and in name, a mere “impulse.”

How was the expense of the building of the Erie canal proposed to be defrayed, when first projected?

Immediately upon entering upon the construction of the Erie and Champlain canals, the state provided, *by tax*, a sinking fund to pay the interest which might accrue upon the public debt incurred in consequence; and the auction duties—the tax on steamboat passengers—and the salt tax, were constituted a sinking fund for that purpose. Mr. Hoffman, in his minority report, 1841, page 2, states that without the aid of these taxes, the Erie and Champlain canal debt at its completion would have been \$10,272,316 75—that the actual expenditure for the work itself was \$8,401,394 12, and that by the mere operation of this tax the Erie and Champlain canal debt in 1826 was only \$7,737,770 99; in other words, that the debt had been reduced by the effect of these taxes, in actual payments, \$2,534,545 76.

So sacred did the people of this state consider the obligation to provide immediate means for the payment of the canal debt, that in that very instrument which guarantees to us our civil rights—the constitution of our state—was a fund set apart—a tax imposed—and a pledge given which should be, for the time at least, placed beyond the reach of partial and corrupt legislation. Article 7th, sec. 10th of constitution adopted in 1821, thus provides: “Rates of toll not less than those agreed to by the Canal Commissioners and set forth in their report to the legislature on the twelfth of March, one thousand eight hundred and twenty one, shall be imposed on and collected from all part of the navigable communications between the Great Western and South Western lakes and the Atlantic Ocean, which now are or hereafter shall be made and completed: and the said tolls, together with the duties on the manufacture of all salt, as established by the act of the fourteenth of April, on thousand eight hundred and seventeen, and the duties on all goods sold at auction, excepting therefrom the sum of thirty-three thousand five hundred dollars, otherwise appropriated by the said act, and the amount of the revenue established by the act of the legislature of the thirtieth of March, one thousand eight hundred and twenty, in lieu of the tax upon steam-boat passengers, shall be and remain inviolably appro-

propriated and applied to the completion of such navigable communications, and to the payment of the interest and re-imbursement of the capital of the money already borrowed or which hereafter shall be borrowed to make and complete the same.”

By an amendment to the constitution, ratified by the people in 1835, it is provided that “whenever a sufficient amount of money shall be collected and safely invested for the re-imbursement of such part as may then be unpaid of the money borrowed for the construction of the Erie and Champlain canal, the tenth section of the seventh article of the constitution of this state, so far as it relates to the amount of duties on the manufacture of salt, and the amount of duties on goods sold at auction, shall cease and determine.” This was done in 1836, as appears by Ass. doc. No. 3, 1837, pages 65 to 71, and thus by a policy on finance as comprehensive and wise as the project itself was grand and magnificent, were the Erie and Champlain canals built and paid for. The surveyors, engineers and builders, who planned and constructed that inland river, will command the admiration of ages and generations to come; but ever more are to be admired the architects of that scheme of finance and the constructors of that sound and wise system, that provided as the work progressed, with prudent forecast the means whereby to pay the cost of its construction.

The remarks of the gentleman from Monroe, on the canal policy, it is but justice to say, apart from the personalities and coarseness which I have felt it my duty to comment upon with some severity, were characterized by great ingenuity and ability. Indeed I consider his speech one of the most dangerous and plausible efforts of the kind I have ever heard from his side of the house. Though I have not his personal knowledge and experience, the book of history is open to me, and fortified by its revelations, I will demolish the structure he has so laboriously and ingeniously erected.

The committee here rose and reported.

On resuming, Feb. 1st, Mr. McMURRAY said he might, as far as he himself was concerned, assume another position. The gentleman asks whether he, at the age of three score, is to be instructed by “young men scarcely out of their leading strings.” I might, taking the position he points out to us, say—with the errors of the past the young democracy have nothing to do—for these we are so far responsible in that we listen aright to the responses of history, that we read correctly its pages, take warning from the experience of others therein unfolded, and observe the beacon lights it furnishes. For our own acts we are and ought to be accountable, not for the acts of those who have preceded us, however near the alliances that bind us. “Let the dead bury their dead;” but let the young democracy know that their mission is for the living; and to relieve labor from the iron shackles of debt, taxes and monopolies. It is not necessary to take the stand above stated. Fortunately for the democratic party, sage and wise men have mainly governed her counsels, and I am able, notwithstanding the assaults made upon the action of that party for the last twenty-five years, to furnish not only a full, satisfactory and triumphant vindication of its policy, in connexion with canals, but to fasten upon our opponents all the enormities growing out of the system.

The gentleman from Monroe, with great ingenuity, commences his argument, by selecting from

a file of books and documents, a report of Col. Young to the legislature in 1825. This is followed up by the introduction of extracts from reports of Mr. Hoffman in 1834, and of other men of undoubted standing in the democratic ranks.—These all speak of the necessity of an enlargement of the Erie and Champlain canals, at some future time. Here the gentleman triumphantly exclaims, as though it were really a victory that our own party sanctioned the enlargement, and that the prominent men among us advocated it. Sir, I might have saved the gentleman much of the trouble to which he has put himself, in wading through such an immense pyramid of documents, and the house two hours of time. I will, even now, put in as the lawyers say, a “cognovit” for all of it. The fact of the matter is, that as in the original construction, prominent men of both parties were foremost in advocating the work—so too in the enlargement, sound men of both parties conceded its necessity. But what does this prove? Only that the work, grand as it was in its origin, was not sufficiently capacious for the prospective wants of the community. It does not touch the system of finance—at present, the question under consideration. The enlargement may have been delusive, the laterals certainly were absurd; but the system of finance adopted to carry them on was perfect. The fact is that respecting the propriety, the remote necessity, of enlarging the dimensions of the Erie and Champlain canals, little difference of opinion existed. It never was so much a question of enlargement, as of the *mode* in which, the *time* during which, and the *means* whereby, it was to be done. I will prove this by reference to the very next authority introduced by the gentleman himself. It is the session laws of 1835, page 313, sec. 1st—“The Canal Commissioners are hereby authorized and directed to enlarge and improve the Erie canal, and construct a double set of locks therein, as soon as the Canal Board may be of the opinion that the public interest requires the improvement.”

Now it is most undeniable that this act was passed at a period when the democratic party were in the ascendancy, in all departments of the Government. And had it begun and ended, as quoted by the gentleman from Monroe, his victory would have been complete—the inception of the enlargement with all its financial enormities would have been palmed upon us as its originators. I, for one, would acknowledge the error and abandon the argument. But fortunately for the party thus assailed, the extract read by him forms but one, and the opening section of the act—the remainder of it was not deemed worthy of notice—or perhaps what is probable, if quoted, it would have jarred harshly with his position. I will rectify the omission. The first section directs the enlargement, a matter about which there was then little difference of opinion—the sixth provides how the cost shall be paid. This is now, and always has been the chief topic of difference between the democratic party on the one hand, and the whigs, allied with the improvement interest, on the other.

“§ 6. The cost of constructing, completing and maintaining the works authorized by this act, shall be paid by the Commissioners of the Canal Fund, out of any moneys which may be on hand, belonging to the Erie and Champlain canal fund; but the accounts and expenditures under this act shall be kept separate and distinct from the accounts and expenditures, for the ordinary repair and maintenance of the Erie canal.”

Thus it will be seen, that although the enlargement was, as stated by the gentleman from Monroe, authorized by the act of 1835, yet that very act so guards and restricts the power of the commissioners, as to prevent them from increasing even a single dollar the debt of the state, by limiting their operations to the expenditure solely of the surplus revenue of the canals—but limited as is the power given by this act, even this is restricted.

“§ 8. The commissioners shall report to the legislature their proceedings under this act, within thirty days after the commencement of each session.”

“§ 9. After the year one thousand eight hundred and thirty-seven, the expenditures by virtue of this act, shall be so limited as to leave from the canal revenues, without reference to the auction and salt duties, an annual income to the state of at least three hundred thousand dollars over and above all ordinary repairs and expenditures on the Erie and Champlain canals.”

“§ 10. No farther expenditures shall be made pursuant to the provisions of this act, than are necessary to construct the additional locks and works connected therewith, to enlarge the canal in the vicinity of said locks, so far as may be necessary to facilitate the passage of boats through the same, and for the purchase of such lands, and the extinguishment of such claims for damages, as the commissioners may deem it expedient to secure and extinguish, until a sufficient sum shall have been collected and invested from the canal revenues, fully to discharge the Erie and Champlain canal debt.”

So much for the act of 1835. Instead of opening the way for the profligacy of late years, it will be seen that it does but little else than provide for reconstructing decaying locks, while the powers of the commissioners in the matter of the enlargement are so guarded, that they possess no authority whereby they can increase the debt of the state. The borrowing policy was not yet begun. If the actual cost of the work should have proven ten times more than the estimates, the result in this respect would not have been altered—the time during which it was to be effected, would by the increase of cost have been extended, but no debt in any event incurred.

Looking into the past, we cannot fail to see that during the years 1835 and 1836, great corruptions had crept into legislation. Old landmarks were lost sight of. But the more speedy enlargement was not one of the errors of that day. This was done, as I will show, in 1838, by the whigs. The building of the lateral canals was folly, and of the Genesee Valley and Black River, madness and infatuation, to use no harsher terms. For these I am no apologist. The weak and corrupt granting of bank charters in 1835 and 1836, caused the “suspension” of 1837—placed the whigs in power in 1838—and gave the management of affairs to Ruggles, Seward and Collier—the late political firm of “Snap, Gammon & Quirk.” Their policy was to make all the money they could—borrow all—spend all—and pay nothing. This error in finance, in five short years brought the state credit to the very verge of bankruptcy. The expulsion of the democrats from power, and the speedy ruin of the whigs in the federal government, was clearly attributable to financial errors. These are only a part of the universal history of parties and nations. If good financial management does not always ensure success, yet financial errors, are always attended with a swift fatality. The leaders of parties and nations must therefore not only understand what are the requisites of a sound and safe system of finance, but they must have the courage to secure and maintain it. For if they lack this wisdom, or fail in the forecast and courage, they must doom

to an ignominious death their party, and scourge and ruin their county. The currency *must* be sound, the revenue *must* be solid and sufficient.—It may be hard to make them so—or keep them so—but it *must* be done; for without them there can be no successful industry—no successful trade—no successful party—no happy people.

A just retribution for the bank legislation above stated brought our opponents into power in 1838; and from that period to the commencement of the present year, they have in one or the other of the branches of the government retained power.—1838 commences their career—1842, inclusive, ends it.

On the 13th day of February 1838, Mr. G. W. Patterson, a leading and influential member of the whig party, and, in 1839, Speaker of the Assembly, introduced the following resolutions, out of which grew a change in the system of enlargement, and also out of which grew the report of the canal commissioners of the date of March 10, 1838, introduced by the gentleman from Monroe, as authority on his side, as though it were a volunteered recommendation emanating from them. The gentleman, in quoting the law of 1835, knew where to stop; so, too, he knows where to begin. Now, how did the report of the canal commissioners, signed by the present Governor, get into the house? I hold in my hand the assembly journal of 1838, page 362. I quote therefrom:

“On motion of Mr. G. W. Patterson,

“Resolved, That the canal commissioners be directed to report to the house, as speedily as circumstances will permit, information on the following subjects:

“The number and location of the double locks which they have determined to construct, under the acts for the enlargement and improvement of the Erie canal.

[Mr. McMURRAY here read the resolutions. They are too much in detail to extract. We give, however, one or two of them.]

“To commence and prosecute the enlargement of the canal through the mountain ridge near Lockport, at Little Falls, and at such other places where the immediate commencement of the enlargement is most necessary to facilitate the navigation of the canal.

“To present the views of the canal commissioners respecting the most practical plan of operations by which the completion of the double locks on the canal may be most promptly effected, independent of its immediate enlargement, and any items of expense that will be necessary to accomplish that object not already designated in this resolution, and the portion thereof that will be incurred during the present year, together with the amount of appropriations already made by law for the enlargement of the canal, and the portions thereof now under their control during the present year.

“To report the estimated expense of enlarging the canal through the mountain ridge, and the time which will probably be required for its completion.”

The above resolutions are important in themselves and in their results, and show how minutely and how much in detail the canal commissioners are “directed” to report.

On the 10th of March, 1838, the canal commissioners submitted to the assembly their report in answer, in which, they premise that the “variety of information requested by the resolution, embracing the various branches of the work in question, under several subdivisions and various views,

cannot with much accuracy be given in every case. The answers of the commissioners, therefore, being the best their present means enable them to give, must in some instances depend on estimates and calculations somewhat uncertain in their results.”

Answers are then given, much in detail, not necessary to dwell further upon. I will make one extract, however, from their report. At page 10, they say, “In answer to that part of the resolution that directs the report of ‘the amount of appropriations made by law for the enlargement of the canal, and the portion thereof now under their control, or which may be expected to be under their control during the present year,’ the commissioners say that ‘the act of May 11, 1835, authorizing the enlargement and improvement of the Erie canal, appropriated the proceeds or income of the Erie and Champlain canal fund to that object,—but limited the expenditures, so as to leave the annual income to the state at least \$300,000, over and above all ordinary repairs and expenditures on the Erie and Champlain canals; and that by the act of May 16, 1836, chap. 356, \$400,000 is to be loaned annually by the commissioners of the canal fund to the treasury of the state, for the use and benefit of the general fund, from the monies belonging to the canal fund. It appears, therefore, that the amount of available appropriations made by law for the enlargement of the canal, is the revenue or income of the Erie and Champlain canal fund, after deducting all expenses for ordinary repairs and expenditures on the Erie and Champlain canals, and the \$400,000 to be annually loaned to the state treasury.”

By reference to Assembly Journal of that year, page 543, it will be seen that it was “Ordered, That the said communication [report of the canal commissioners] be referred to the standing committee on canals and internal improvements”—Mr. Patterson’s committee.

The extract from the report, last above quoted, completely overthrows the position of the gentleman from Monroe. Thus the gentleman’s own friends desert him in his desperate and hopeless effort.

On the 13th of March, 1838, the whig leader, Mr. Patterson, (see Assembly Journal, page 566,) “from the standing committee on canals and internal improvements, to which were referred the several petitions praying for the enlargement, and also the report of the canal commissioners, brought in a report favorable thereto,” of which ten times the usual number were ordered printed; and a bill entitled “An act to provide for the more immediate enlargement of the Erie canal,” was at the same time introduced.

The bill as passed will be found in the session laws of 1838, chap. 269. It directs the commissioners of the canal fund to “borrow on the credit of the state.” This is the commencement of the new system—the whig borrowing system—the lauded impulse system. And I have traced its paternity so conclusively, that my position cannot be overthrown or denied. The act, as reported by Mr. Patterson, directs the commissioners to put the work under contract, so as to complete it in five years. As passed, however, the five years are stricken out.

The legislature of 1838 appropriated, under the above act, \$4,000,000. Nor did they stop here. \$3,000,000 were given to the New-York and Erie rail road: thus by two acts, in one session, more than doubling the whole indebtedness of the

incurred during twenty years by the democratic party, in prosecuting and completing more than six hundred miles of canals. But even this, large as it may appear, was not sufficiently comprehensive to satisfy the "impulse feeling." At the same session, aid was granted to the Catskill and Canajoharie railroad company, to the amount of \$200,000—to the Ithaca and Owego company, \$315,700—to the Auburn and Syracuse company, \$200,000. Thus adding to the state debt, during the first year of whig rule, \$7,790,000.

In 1839, the whigs, then in the ascendancy in the Assembly, passed appropriations to the amount of \$4,815,000. The state was saved this addition to its debt, by the firmness of a democratic senate.

The gentleman from Monroe has also charged the New-York and Erie rail road upon the democratic party. The whigs have a great propensity to desert their bantlings, and—as if fearful of their own reputation—to father them upon others. I have exposed the attempt in the case of the canal; I will do the same thing with the rail road.

This road has paid its respects to the legislature, annually, for about ten years. I believe it has not failed to present the "compliments of the season," at any year during that period. In 1832, the legislature granted the company a charter, with a capital of \$10,000,000, which was to be all subscribed before the company could go into operation. In 1833, the legislature was induced to permit the company to go into operation when \$1,000,000 should be subscribed. In 1834, they ask the state to survey the route at the expense of the people—which is granted them. In 1835, they are emboldened to ask aid of the state. A bill is introduced, but is lost in the house. In 1836, an act is passed, loaning them the credit of the state, on the following conditions:

State stocks were to be issued, to the amount of \$600,000, when a single track was finished from the Delaware and Hudson canal to the Chenango canal; \$700,000 when built from the Chenango canal to the Allegany river; \$300,000 when constructed from the Allegany river to Lake Erie; and \$400,000 when constructed from the Delaware and Hudson canal to the Hudson river; and an additional \$1,000,000 when a double track had been laid down upon the whole route. This loan was a perfectly safe one for the state, and a liberal one to the company. The people, had the road been built upon this plan, would never have been defrauded of a cent. But the company never received a dollar under the act. It was not liberal enough to suit the purposes of the speculators having it in charge. And hence, in 1838, we find them procuring from a "convenient" whig legislature, an alteration of the law, to suit their purposes, and which has resulted in defrauding the state to the amount of \$3,000,000 by the most ingenious system of legislative plunder ever devised. The plan is so changed in its features as to absolve the company from any safe guarantee to the state—permitting them to draw from the state a dollar for every dollar expended by the company, to the amount of \$3,000,000. In 1840, even this munificence is transcended, by increasing the loan to two dollars for every one expended by the company. And now, sir, we find them here again—bankrupt as they are, having violated their solemn engagements to a defrauded people—holding in their hands a message of absolution from Gov. Seward, unblushingly entering this hall, and demanding the conversion of the loan into a gift. It is time to cast them forth, or they will come

here to deceive and corrupt till doomsday.

The gentleman from Chemung, (Mr. HATHAWAY,) charged that "Governor Seward had so conducted the administration, as to destroy the credit of the state."

Mr. STRONG: Not destroy—"run down" were his words.

Mr. HATHAWAY: I don't care which; either will do.

Mr. McMURRAY: Yes—either will answer my purpose, as I can prove both. And I will give authority the gentleman from Monroe, and his party, dare not gainsay. I will first show, by whig authority, how they found it; and I will then prove, by figures, facts, and references that cannot be denied, how they left it. I will let Gov. Seward tell the story in his own words. I now read from his first message, 1839, page 22:

"The following is a brief statement of the entire indebtedness of the state at the close of the last fiscal year." Here follows a statement in detail, not necessary to follow out; I give the footing: "Balance of state debt over funds on hand, \$6,728,687 26."

At page 23, he says: "The Erie and Champlain canal fund alone, as has been seen, yields a nett revenue, after paying all legitimate charges upon it, and all deficiencies of the auxiliary canals, of \$718,650 91."

Again: "History furnishes no parallel to the financial achievements of this state. It has surrendered its share of the national domain, and relinquished for the general welfare all the revenues of foreign commerce, equal to two-thirds of the entire expenditure of the federal government. It has nevertheless sustained the expenses of its own administration, founded and endowed a broad system of education, charitable institutions for every class of the unfortunate, and a penitentiary establishment which is adopted as a model by civilized nations. It has increased four-fold the wealth of its citizens, and relieved them from direct taxation. And in addition to this, it has carried forward a stupendous enterprise of improvement, all the while diminishing its debt, magnifying its credit, and augmenting its resources."

This testimony is most unequivocal, and from a high source. It would, of itself, be all-sufficient. I will, however, add other high evidence.

Mr. Ruggles' report, 1838, document 242, page 13: "The treasury, in fact, is OVERFLOWING with the tolls derived from the canals; and to these tolls the state may legally and properly resort, for the purpose not only of meeting its present obligations, but of extending the benefits of internal improvements to those hitherto neglected portions of its population, at whose common risk, and upon whose common credit, the canals were constructed."

At page 18, same report, the beauties of a national debt are patriotically urged: "Our fathers did not hesitate to encounter debt, even when the means of paying interest were unascertained and contingent; and surely we may safely make a similar effort, now that we are certain that the revenues of the state will suffice to pay the interest." It concludes by stating that the revenue is sufficient to discharge a debt of FORTY MILLIONS OF DOLLARS.

I am also able to give the price of state stocks in the market, at this period, from the same authority: "Such moneys may be borrowed on five per cent. stocks, not under par, redeemable at the option of the government after 10 or 15 years,"—Page 26.

Mr. Ruggles concludes by recommending that the enlargement be so conducted, as to finish the work in five years from 1838.

I now ask how he left it. This, too, I give from authority that has not been and cannot be questioned. (See Comptroller's report.)

Aggregate stock debt,.....	\$24,737,749 00
But to this must be added,	
New stock,.....	393,900 00
General fund,.....	435,416 24
Loaned to rail roads,.....	1,720,000 00

\$27,287,065 24

Mr. Collier figured down the state debt to fifteen millions, one year since. Michael Hoffman put it at \$26,226,092 80. Add to this the bank losses, March and April act, canal repairs, and Chemung canal loan, since passed, and Mr. H. proves correct almost to a dollar. Thus it will be seen that Mr. Hoffman, at all events, told boldly the "whole truth, and nothing but the truth."

But again, I assert that they destroyed the credit of the state, because,

1. With full power by law to borrow, at the close of their administration, they could not raise a cent from capitalists.

2. State fives, which brought par when the whigs came in power, were unmarketable, and even sixes were twenty-two per cent below par.

3. In that, state sevens were shunned by foreign capitalists, and hung heavily in the market, until after the election.

4. In that, on the knowledge of the success of the democratic party, state credit revived, and its stocks were immediately in demand.

5. In that, by their extravagance, they arrested the prosecution of the public works.

6. In that, they have made an increase of taxes unavoidable.

7. In that, they have quadrupled the state debt, in four years.

Can any man, capable of reasoning and drawing conclusions from premises, now deny that the whigs have run down and destroyed the credit of the state? The amount of town, county and state taxes, is estimated in the Comptroller's report at \$3,625,811 44. This is more than one half of the entire circulating medium of the state.

In 1840, the whigs know that the Ruggles' sinking fund was gammon; and yet it is again commended by the canal commissioners. The call is repeated in the strongest manner in 1841. Though none was granted, they went millions into temporary loans and arrearages. They lost the election; and though the balance of tolls, Sept. 30, was large, and an equally large amount was received in October to January, yet they lost these tolls in failing banks, and so applied them in retrospective payments, that there was next to nothing left to pay interest or open the canals.

I must, however, hasten to a close, as I have already detained you too long.

[It being after the usual hour of adjournment, Mr. W. HALL asked Mr. McM. if he would give way to a motion to rise and report.

Mr. McMURRAY: No, sir, I will finish to-day. I have already occupied two days; I cannot ask more.]

I have references and authorities before me, for all I have said. So, too, in anything I may say, I am fortified,—but will not read more extracts, unless my positions are denied. The allegation that the people entered upon the enlargement of the Erie and Champlain canals, in consequence of under estimates of the cost, is not true. The cost had nothing to do with the project. The esti-

mates did not pretend to be accurate. The plan has been since altered. And Mr. Patterson, in his report introducing the act for the more speedy enlargement, himself states that the actual cost will much exceed these rough estimates. It was, in fact, entered on with a full knowledge that these calculations would come far short.

When Gov. Clinton opened his administration in 1825, it has been shown what splendid plans of improvement were promised the people. When Gov. Seward, the next representative of the federal party, took the Executive chair, the like brilliant schemes were projected. Indeed, the parasites of the latter called him the second Clinton. I, for one, am perfectly willing to concede them both the honor of political brotherhood—though I must admit the pupil has somewhat improved upon his master! Our ancestors, poor souls, took the world very easy. When they looked upon our broad lakes, our noble mountains, and our deep navigable rivers, with the fertile vallies along their banks, they very self-complacently and ignorantly supposed that nature had done tolerably well by our country. They settled down in ignoble ease, in the tame cultivation of the soil. They lived in odd looking houses, and wore homespun clothes. They had very limited views of the blessings of "internal improvement." They seem never to have taken it into consideration, that great blunders were committed in making this world of ours, and particularly the state of New-York. Some vallies are too low, and then again some mountains inconveniently high—some rivers too deep, and others quite too shallow;—that many parts require patching up, and that some odds and ends were evidently overlooked and require finishing. Nor did it ever occur to them that a few millions a year, for a few centuries, would do the work very comfortably; and of that modern discovery in morals and finance, which devolves the payment of present debts upon posterity—most fortunately for us—they were most profoundly ignorant. As New-York was "yet in her shell" during the dark ages of Gov. Clinton, (although this brilliant statesman seems to have picked very hard to get out of it,) and as the shell was only broken by the violent "impulse" of the Seward and Ruggles policy of 1838, the comparatively contracted views of Gov. Clinton are rather to be attributed to the age in which he lived, than to any want of comprehensiveness, or orthodoxy, on the subject of "internal improvements."

In all civilized governments in every age of the world, two grand divisions may be traced, existing at all times with more or less distinctness. I mean those who consider government a necessary engine of power to control the people, and those who look upon it merely as a social compact, which should exercise no other than the simplest functions requisite for the protection of the life, liberty and property of the governed. The power of the former system depending on the few, always lives and thrives by ministering to the local feelings, the private interest, the avarice, the ambition and the cupidity of its supporters; and these constitute a band as subservient and as reliable as the best drilled and best paid standing army. As, in a republican government feathered, belted and uniformed soldiery are looked upon with distrust by the people, sagacious tyrants prefer a mercenary body guard, stripped it is true of its epaulettes and trappings, but nevertheless drilled, paid and officered. The more extensive the scope of state patronage, the larger, the better

drilled, and the more faithful become these ministerial mercenaries. Tyrants of this school advocate a national debt as a national blessing, and the doctrine of "improvements," because it leads to a national debt. The creditors of a nation, become a substitute for its standing soldiery, and those who are benefitted by the system of "internal improvements," the life guard. The more diffused the debt the more diffused the army—the larger the debt, the more dangerous and effective it becomes against an unpaid and unbought people.

When Cadmus conquered the dragon at the sacred waters of Mars, he buried his teeth in the earth, and they sprang up armed men, the ministers of his ambition. A state debt is a dangerous dragon to the people. It is buried from sight; but when government so wills, every dollar, like a dragon's tooth, assumes the semblance of an armed and subservient instrument of the government bondsman and paymaster.

The day has passed when physical force will be resorted to to subdue the people. No, this they need not fear. It is the trickery of politicians, the subtle operations of systems of policy, and the resorts and subterfuges of diplomacy, that will more surely and effectively be resorted to, to produce results which open force would not dare essay. Of all means of degrading a people and binding them by indissoluble chains to the car of government, a state debt is the most subtle, certain and effective. Avarice enters the household of the wealthy and buys up his patriotism, when with princely courtesy he shows his "state bonds"; and the tax gatherer like a grim mercenary at the door of the cottager, cowers his soul and crushes his energies. It enslaves the former, and awes and subdues the latter. Statesmen know that it is the surest protection against change and revolution—that kind of revolution which is dear to the oppressed, but which is now, and ever will be, terrible to tyrants.

Now sir, I maintain that the distinction stated, as applied to the democratic republican and the federal or whig party, both in the state and national administration, is as observable, as it has been in every other government and age. I shall however, confine my observations entirely to matters of state legislation.

During the last forty years, the federalists have elected but two governors of this state—governor Clinton and governor Seward. The former first in 1817, when commencing the Erie canal, was elected by both parties. Upon his re-election in 1825, however, by the reorganized federal party, he recommended the wildest system of prodigality and extravagance known up to his day. And governor Seward, by a like policy, aided by a federal legislature, has increased the state debt four-fold. He has added to it, in the short space of four years and in a period of peace, more than twenty-seven millions of dollars.

At the opening of the session of 1842, a crisis had arrived which admitted no longer of suppression or concealment. The Executive in vain paraded the wealth and fancied resources of the state. His appeals to sectional feelings, though made with more than his accustomed zeal, met but a feeble response—even private cupidity but faintly importuned the prostrate and fallen resources of the state. True whoever to the secret powers that gave him political existence, governor Seward relaxed in no effort to stimulate the legislature to the further prosecution of the downward career of debt and extravagance. He even

urges them to enlarge the ruinous efforts of the present, and to commence more comprehensive works for the future. The Comptroller follows in the footsteps of the Executive, and displays the fertility of an inventive mind by figuring down the debt of the state to the smallest possible sum, and by figuring up its resources; and the Canal Commissioners, including the late Attorney General, follow the same lead. It is all in vain—theory has given place to fact—anticipation to reality. Hundreds of contractors at the doors of the two houses, hold up their unpaid bills in the faces of the members, and ask the means wherewith to pay the labores on the public works. Money lenders refuse to loan the state a cent. The banks, heretofore so subservient, but now in truth, eviscerated by state loans, demand the repayment of their capital for the use of needy and waiting customers. Trade and commerce are paralyzed by the absorption of all floating capital and its permanent investment in state funds. The ability of the state to meet its engagements is questioned, and the doctrine of repudiation, as the necessary result of whig policy, is foreshadowed. The spendthrift's career is brought to a close.

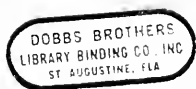
The whigs of both houses, unlike the Executive, are filled with consternation, in view of the ruin and disgrace impending. In the senate, Mr. Franklin introduced a series of resolutions, declaring that the state debts *ought to be paid*. A proposition never questioned. But he proposed no mode of meeting those debts, save his naked resolution. The architects of this ruin dare not meet the crisis. The Democracy, true to the interests of the state, apply the remedy and impose a tax. The people have sustained the measure; but have repudiated, not the debt, but the prodigal and the spendthrift contractors of it.

Sir, I shall not now advocate taxation of the people. I deplore the necessity of taxation—and more than all for such purposes. But the debt has been incurred. It must be paid. It can only be done by going into state bankruptcy, or by taxing the people. The former would entail upon the state lasting, irretrievable disgrace; the latter draws from the hard earnings of laborers hundreds of thousands they can but ill-afford. Other debts may be postponed—may be compromised; but the tax gatherer insists upon immediate and full payment. The bushel of wheat, of corn, of produce, will not answer; he demands cash, and iron necessity compels its payment.

Last session, one question remained unanswered. It was this,—will the people bear a tax?—Will they sacrifice their comforts, their convenience, perhaps many of the necessities of life, solely for the honor of the state, and to pay the unjust debts of a prodigal administration? The problem has been solved—the question answered: They will. No, sir, they have. Even now, from every section of the state but one response is returned. The credit of the state, at whatever cost, must and shall be maintained. The tax gatherer meets no rude greetings, receives no violence, listens to no abuse. Its necessity is admitted for the present—the warning of the past is duly treasured—and a vigilant eye will be kept upon the future. The virtue, the integrity of the state, has been tried—the glory of our early history is untarnished—and a free people have asserted their own honor; they have met the payments contracted by faithless servants; but they have vindicated their intelligence at the same time, by discarding from their councils those who have so shamefully abused the trusts reposed in them.

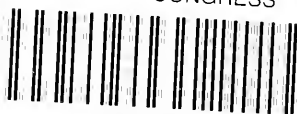
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